



**COUNTY OF SAN LUIS OBISPO  
BOARD OF SUPERVISORS  
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Auditor - Controller - Treasurer - Tax Collector		(2) MEETING DATE 9/19/2017		(3) CONTACT/PHONE Kerry Bailey, 788-2979	
(4) SUBJECT Submittal of a Brown Armstrong, CPAs Independent Auditor's Report on the County Treasury's cash balance and accountability as of June 30, 2017. All Districts.					
(5) RECOMMENDED ACTION It is recommended the Board receive, review, and file the Independent Auditor's Report.					
(6) FUNDING SOURCE(S) N/A		(7) CURRENT YEAR FINANCIAL IMPACT \$0.00		(8) ANNUAL FINANCIAL IMPACT \$0.00	
(9) BUDGETED? Yes					
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. _____) <input type="checkbox"/> Board Business (Time Est. _____)					
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input checked="" type="checkbox"/> N/A					
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A				(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5th's Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP N/A		(15) BUSINESS IMPACT STATEMENT? No		(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A    Date <u>March 21, 2017</u>	
(17) ADMINISTRATIVE OFFICE REVIEW <i>Nikki J. Schmidt</i>					
(18) SUPERVISOR DISTRICT(S) All Districts					



## COUNTY OF SAN LUIS OBISPO

TO: Board of Supervisors

FROM: James P. Erb, CPA, Auditor - Controller - Treasurer - Tax Collector

DATE: 9/19/2017

SUBJECT: Submittal of a Brown Armstrong, CPAs Independent Auditor's Report on the County Treasury's cash balance and accountability as of June 30, 2017. All Districts.

### **RECOMMENDATION**

It is recommended the Board receive, review, and file the Independent Auditor's Report.

### **DISCUSSION**

California Government Code Sections 26920 and 26922, require quarterly reviews and reporting of the County Treasurer's statement of assets. The review may occur any time during the quarter. To comply with government code, an unannounced cash count was conducted at the County Treasurer's Office on June 30, 2017, and the reconciliation of records was verified. The procedures were performed by the independent public accounting firm, Brown Armstrong CPAs.

In the attached Independent Auditor's Report Brown Armstrong states cash funds of \$31,998,891 were accounted for and balanced to the Treasurer's Daily Cash Report. Investments in the County Treasury totaled \$965,286,532 and were reconciled from investment reports to the Treasurer's Daily Report. The investments were also reviewed and found to be in compliance with the current County Treasury's Investment Policy. Total funds in the County Treasury on June 30, 2017, were \$997,285,423.

### **OTHER AGENCY INVOLVEMENT/IMPACT**

The cash procedures were conducted at the County Treasury.

### **FINANCIAL CONSIDERATIONS**

The procedures verified that funds reported by the County Treasury equaled cash on hand and funds held by financial institutions.

**RESULTS**

Quarterly cash and investment reviews of the Treasury fulfill Government Code requirements and inform the Board of Supervisors and the public on the status of the County Treasury.

**ATTACHMENTS**

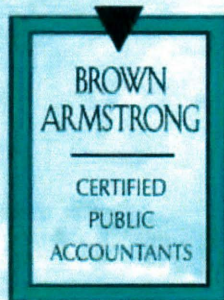
1. Independent Auditor's Report Q4 FY 2016-17

**COUNTY OF SAN LUIS OBISPO**  
**QUARTERLY CASH COUNT**  
**FOURTH QUARTER**  
**FISCAL YEAR 2016-17**

COUNTY OF SAN LUIS OBISPO  
QUARTERLY CASH COUNT  
FOURTH QUARTER FISCAL YEAR 2016-17

TABLE OF CONTENTS

	<u>Page</u>
Independent Accountant's Report on Applying Agreed-Upon Procedures .....	1
Treasurer's Daily Report .....	2



## BROWN ARMSTRONG

*Certified Public Accountants*

### INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Supervisors  
County of San Luis Obispo  
San Luis Obispo, California

#### **BAKERSFIELD OFFICE (MAIN OFFICE)**

4200 TRUXTUN AVENUE  
SUITE 300  
BAKERSFIELD, CA 93309  
TEL 661.324.4971  
FAX 661.324.4997  
EMAIL [info@bacpas.com](mailto:info@bacpas.com)

#### **FRESNO OFFICE**

7673 N. INGRAM AVENUE  
SUITE 101  
FRESNO, CA 93711  
TEL 559.476.3592  
FAX 559.476.3593

#### **LAGUNA HILLS OFFICE**

23272 MILL CREEK DRIVE  
SUITE 255  
LAGUNA HILLS, CA 92563  
TEL 949.652.5422

#### **STOCKTON OFFICE**

5250 CLAREMONT AVENUE  
SUITE 150  
STOCKTON, CA 95207  
TEL 209.451.4833

We have performed the procedures enumerated below to the proper balance and accountability of cash as directed by California Government Code Sections 26920 and 26922 as of the quarter ended June 30, 2017. These procedures, which were agreed to by the County of San Luis Obispo, were performed in accordance with the aforementioned code sections. The County of San Luis Obispo's management is responsible for the safe keeping and preparation of cash and cash reconciliations. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the County of San Luis Obispo. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

As directed by California Government Code Sections 26920 and 26922, an unannounced cash count and review was conducted at the County Treasurer's Office on June 30, 2017, and cash funds of \$31,998,891 were accounted for and balanced to the Treasurer's Daily Report. Investments in the County Treasury totaled \$965,286,532 and were reconciled from investment reports to the Treasurer's Daily Report. The investments were also reviewed and found to be in compliance with the current County Treasury Investment Policy. Total funds in the County Treasury on June 30, 2017, were \$997,285,423.

We were not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion on the proper balance and accountability of cash in the County Treasury at quarter end. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the County of San Luis Obispo and management of the County of San Luis Obispo and is not intended to be, and should not be, used by anyone other than these specified parties.

BROWN ARMSTRONG  
ACCOUNTANCY CORPORATION

*Brown Armstrong*  
*Accountancy Corporation*

Bakersfield, California  
August 28, 2017

REGISTERED with the Public Company  
Accounting Oversight Board and  
MEMBER of the American Institute of  
Certified Public Accountants

**COUNTY OF SAN LUIS OBISPO  
TREASURER'S DAILY REPORT  
FOURTH QUARTER FISCAL YEAR 2016-17**

JAMES P. ERB, CPA, COUNTY TREASURER  
SAN LUIS OBISPO COUNTY  
TREASURER'S DAILY REPORT

DATE 30-Jun-17  
12:38:21 PM

<b>DISBURSEMENT SUMMARY</b>		<b>INVESTMENT PURCHASE SUMMARY</b>	
Union Bank Control Disb	998,554.43	CalTrust (daily balance)	100,000,000.00
EBT	5,599.25	BA and C/P	
SSDD	2,749.00	PIMMA (daily balance)	280,000,000.00
Vendor Pay	1,528,215.48	AGENCIES	
Cuesta AUL Trust	2,235.81	TREASURES	
Cuesta Envoy	35,448.42	F.I.C.A. (daily balance)	0.00
Cuesta CALPERS	250,262.48	LAIF (daily balance)	65,000,000.00
SLOCOE Def Comp Almond Acres	1,213.43	<b>TOTAL INV. PURCHASES</b>	<b>445,000,000.00</b>
SLOCOE Envoy	409,032.23		
SLOCOE Deferred Comp	75,698.67		
<b>TOTAL DISBURSEMENTS</b>	<b>3,309,009.20</b>	<b>COMBINED POOL INVESTMENTS</b>	
		CDARS	24,500,000.00
		CalTrust	100,000,000.00
		Agencies	298,055,330.70
		LAIF	65,000,000.00
		PIMMA	280,000,000.00
		Treasuries	197,731,201.14
		F.I.C.A.	0.00
Approved <u>Melanie Hadden</u> Date <u>6/30/17</u>		<b>INACTIVE TOTAL</b> 965,286,531.84	
<b>BALANCE FORWARD</b>	988,898,129.95	<b>Bank Accounts:</b>	
Receipts for Day	11,696,301.99	Pac West Bank	10,822,333.03
Returned Cks-JE	-	Union Bank-Depository Acct	19,150,862.91
Disbursements for Day	(3,309,009.20)	Union Bank-Deferred Comp.	0.00
<b>BALANCE</b>	<b>997,285,422.74</b>	Union Bank-DSS Direct Dep.	448,381.23
		Union Bank-EBT	1,005,528.01
		Union Bank-Elect. C Card Pmt	141,337.18
		Union Bank - US Govt. Loans	45,555.82
		East West Bank	70,575.99
		<b>Office Funds:</b>	
		Vault Currency	40,400.00
		Vault Coins	
		Dollars	
		Halves	
		Quarters	190.00
		Dimes	115.00
		Nickels	22.00
		Pennies	5.00
		Vault Cash Drawer	
		Currency: (100/50's)	0.00
		- (20's)	680.00
		- (10's)	1,210.00
		- (5's)	485.00
		- (2's)	20.00
		- (1's)	102.00
		Coin: Dollars	23.00
		- Halves	2.00
		- Quarters	30.25
		- Dimes	18.40
		- Nickels	7.00
		- Pennies	0.97
		<b>TOTAL OFFICE FUNDS</b>	<b>43,310.62</b>
		Online Payments for Collection	268,393.43
		Returned Items	1,612.68
		<b>BALANCE ON HAND</b>	<b>31,998,890.90</b>
<b>BALANCE 1ST OF MONTH</b>	1,015,835,583.17	<b>BALANCE</b>	<b>997,285,422.74</b>
Receipts for Month	79,143,773.26		
Disbursements for Month	(97,693,933.69)		
<b>BALANCE</b>	<b>997,285,422.74</b>		

DATE 30-Jun-17